



***Consolidated Financial Statements
for the year ended
31 December 2015***

HelloFresh AG, Berlin

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Consolidated Financial Statements

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<i>In thousands of EUR</i>	Note	31 December 2015	31 December 2014
Assets			
Non-current assets			
Property, plant and equipment	8	5,829	708
Intangible assets	9	66	5
Goodwill	7	4,608	-
Other financial assets	13	9,166	-
Other non-financial assets	14	1,002	-
Deferred income tax assets	24	434	434
Total non-current assets		21,105	1,147
Current assets			
Inventories	10	5,605	1,356
Trade receivables	11,13,26	11,493	2,650
Other financial assets	13	1,738	1,099
Other non-financial assets	14	9,423	2,040
Cash and cash equivalents	12,13,26	109,235	19,760
Total current assets		137,494	26,905
Total assets		158,599	28,052
Equity and Liabilities			
Equity			
Share capital	16	125,005	69
Treasury shares	16,28	(10,000)	-
Capital reserves	16	93,930	38,871
Other reserves		21,829	5,835
Accumulated losses		(142,395)	(28,634)
Other comprehensive loss		(731)	(498)
Equity attributable to the Company's shareholders		87,638	15,643
Non-controlling interests	30	-	(1,013)
Total equity		87,638	14,630
Non-current liabilities			
Share-based payment liabilities	19	8,957	270
Other non- financial liabilities	15	1,196	-
Total non-current liabilities		10,153	270
Current liabilities			
Trade payables	17	45,534	11,249
Other financial liabilities	17	208	71
Provisions	18	2,503	181
Other non-financial liabilities	15	12,529	1,617
Income tax liabilities	24	34	34
Total current liabilities		60,808	13,152
Total equity and liabilities		158,599	28,052



Years ended 31 December

<i>In thousands of EUR</i>	Note	2015	2014
Revenue	5	304,952	69,624
Cost of goods sold	20,21	(146,085)	(31,142)
Gross Profit		158,867	38,482
Fulfilment expenses	20,21	(121,695)	(23,149)
Marketing expenses	20,21	(120,504)	(22,393)
General and administrative expenses	20,21	(30,756)	(7,543)
Other operating income	22	178	481
Other operating expenses	22	(1,596)	(1,654)
Operating loss		(115,506)	(15,776)
Finance income	23	138	13
Finance expense	23	(1,386)	(6)
Loss before income tax (expense) benefit		(116,754)	(15,769)
Income tax (expense) benefit	24	(3)	405
Loss for the year		(116,757)	(15,364)
attributable to:			
Owners of the Company		(113,761)	(14,557)
Non-controlling interests		(2,996)	(807)
Other comprehensive income:			
Items that may be subsequently reclassified to profit or loss			
Exchange differences on translation to presentation currency		(1,860)	(977)
Exchange differences on net investments in foreign operations		1,639	293
Other comprehensive loss for the year		(221)	(684)
Total comprehensive loss for the year		(116,978)	(16,048)
Total comprehensive loss attributable to:			
Owners of the Company		(113,971)	(15,184)
Non-controlling interests		(3,007)	(864)
Basic and diluted loss per share (in EUR)	25	(0.98)	(0.17)



Attributable to owners of the Company										
<i>In thousands of EUR</i>	Note	Share capital	Treasury shares	Capital reserves	Other reserves	Accumulated losses	Other comprehensive (loss) income	Total	Attributable to non-controlling interests	Total
At 1 January 2014		56		13,998	2,819	(14,077)	129	2,925	(212)	2,713
Loss for the period						(14,557)		(14,557)	(807)	(15,364)
Currency translation							(627)	(627)	(57)	(684)
Total comprehensive loss for the period						(14,557)	(627)	(15,184)	(864)	(16,048)
Issue of share capital		13		24,873				24,886		24,886
Share-based payments					3,016			3,016	63	3,079
Balance at 31 December 2014		69		38,871	5,835	(28,634)	(498)	15,643	(1,013)	14,630
Loss for the period						(113,761)		(113,761)	(2,996)	(116,757)
Currency translation							(233)	(233)	12	(221)
Total comprehensive loss for the period						(113,761)	(233)	(113,994)	(2,984)	(116,978)
Issue of share capital		3,615		180,459				184,074		184,074
Capital increase in course of merger	1,16	119,921		(119,921)				-		-
Capital increase to acquire non-controlling interests	16,30	1,400		(5,479)	159			(3,920)	3,920	-
Repurchase of shares	16,28		(10,000)					(10,000)		(10,000)
Share-based payments	19				15,835			15,835	77	15,912
Balance at 31 December 2015		125,005	(10,000)	93,930	21,829	(142,395)	(731)	87,638	-	87,638



Years ended 31 December

In thousands of EUR

	2015	2014
Cash flow used in operating activities		
Loss for the year	(116,757)	(15,364)
Adjustments for:		
Finance income	(138)	(13)
Finance expense	1,386	6
Income tax (benefit) expense	3	(405)
Depreciation of property, plant and equipment	628	65
Amortization of intangible assets	14	115
Share based payment expense (equity-settled)	16,659	3,079
Other non-cash transactions	(1,129)	(792)
Increase in provisions	2,322	181
Changes in working capital related to operating activities		
(Increase) in trade receivables and other assets	(15,477)	(4,688)
(Increase) in inventories	(4,249)	(1,245)
Increase in trade and other payables	31,124	9,124
(Increase) in non-current financial assets	(397)	-
(Decrease) increase in financial liabilities	137	(29)
(Increase) in non-financial assets	(1,002)	-
Increase in non-financial liabilities	12,108	1,337
Increase in share-based payment liabilities	8,687	268
Interest received	138	13
Interest paid	-	(6)
Net cash used in operating activities	(65,943)	(8,354)
Cash flow used in investing activities		
Acquisition of subsidiary, net of cash acquired	(2,695)	-
Purchase of property, plant and equipment	(5,561)	(728)
Purchase of intangible assets	(75)	(3)
Transfer of cash into restricted cash accounts and long-term deposits	(8,988)	-
Net cash used in investing activities	(17,319)	(731)
Cash flow from financing activities		
Proceeds from the issuance of share capital	184,074	24,886
Repurchase of shares into treasury	(10,000)	-
Net cash from financing activities	174,074	24,886
Cash and cash equivalents at the beginning of the year	19,760	3,840
Effects of exchange rate and other value changes on cash and cash equivalents	(1,337)	119
Cash and cash equivalents at the end of the year	109,235	19,760



SEGMENT INFORMATION

The main activity of the Group is the delivery of meal kits to customers in various geographical regions. The segment reporting follows the internal management and reporting structures. Operating segments reflect the Group's management structure and the way financial information is regularly reviewed by the Chief Operating Decision Maker, which is defined as the CEO.

The Group comprises two operating segments, Continental Europe ("EU") and the Rest of the World ("RoW"). Continental Europe consists of operations in Germany, Austria, the Netherlands and Belgium. The Rest of the World comprises the operations in the United States, United Kingdom and Australia. The reportable operating segments are strategic business units that are managed separately. Intersegment charges are monitored separately and therefore distinctively presented in the tables below. Holding represents centralized overhead functions; the costs are charged out to the operating entities with the exception of special items and finance costs. The consolidation ("Conso") eliminates inter-segment transactions.

The accounting policies of the operating segments are the same as those described in the summary of significant accounting policies. The Group accounts for intersegment sales and transfers as if the sales or transfers were to third parties, i.e. at current market prices.

The Group evaluates performance primarily on the basis of Profit Contribution (Revenue less cost of goods sold net of share-based compensation and fulfilment expense net of share-based compensation, "PC2") and EBITDA adjusted for special items and holding fees, further on the basis of EBITDA and EBIT. EBITDA represents the results before interest, tax, depreciation and amortization. Special items and holding fees include the surcharge for intercompany recharges, share-based compensation and non-recurring items. EBIT is measured as earnings before interest and tax.

External revenue includes income from the sale of meal kits to customers. Internal revenue results from intercompany recharges of services of the holding company to the operating entities of the Group.

<i>In thousands of EUR</i>	2015					
	EU	RoW	Total segments	Holding	Conso	Group
Total revenue	126,141	178,811	304,952	28,615	(28,615)	304,952
Internal revenue	-	-	-	28,615	(28,615)	-
External revenue	126,141	178,811	304,952	-	-	304,952
PC2	30,697	8,140	38,837	28,187	(28,044)	38,980
Adjusted EBITDA	(17,684)	(68,145)	(85,829)	(405)	-	(86,234)
Special items and holding fees	(6,003)	(7,979)	(13,982)	(14,647)	-	(28,629)
EBITDA	(23,687)	(76,124)	(99,811)	(15,052)	-	(114,863)
Depreciation and amortization	(71)	(485)	(556)	(86)	-	(642)
EBIT	(23,758)	(76,609)	(100,367)	(15,139)	-	(115,506)
Finance income						138
Finance expense						(1,386)
Income tax expense						(3)
Loss for the year						(116,757)



2014

<i>In thousands of EUR</i>	EU	RoW	Total segments	Holding	Conso	Group
Total revenue	38,878	30,746	69,624	-	-	69,624
Internal revenue	-	-	-	4,859	(4,859)	-
External revenue	38,878	30,746	69,624	-	-	69,624
PC2	10,799	4,546	15,345	4,354	(4,259)	15,440
Adjusted EBITDA	(3,117)	(9,359)	(12,476)	-	227	(12,249)
Special items and holding fees	(2,712)	(866)	(3,578)	231	-	(3,347)
EBITDA	(5,829)	(10,225)	(16,054)	231	227	(15,596)
Depreciation and amortization	(138)	(42)	(180)	-	-	(180)
EBIT	(5,967)	(10,267)	(16,234)	231	227	(15,776)
Finance income						13
Finance expense						(6)
Income tax benefit						405
Loss for the year						(15,364)